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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 004153

SIPDIS

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TAGS: PREL PGOV CH TW

SUBJECT: CROSS-STRAIT TALKS: CONTACTS PROVIDE UPBEAT

INITIAL ASSESSMENT

REF: A. TAIPEI 1554

¶B. TAIPEI 1564

¶C. BEIJING 4085

¶D. BEIJING 4089

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b) and (d).

SUMMARY

11. (C) Embassy contacts provided an upbeat initial assessment of the ongoing visit to Taiwan by Chen Yunlin, head of China's Association for Relations Across the Taiwan Strait (ARATS), noting that the agreements signed with Taiwan's Straits Exchange Foundation (SEF) on November 4 represent completion of the long-desired "three links," even as Beijing is emphasizing the agreements' economic, rather than political, significance. The "massive" demonstrations and "aggressive" tactics of the opposition in response to Chen's visit have made Taiwan "look bad" in the eyes of most Chinese, contacts said. Mainland media are being kept on a tight leash, one journalist commented, due to PRC leadership fears over pressure to move cross-Strait relations forward too fast. One example of what may be driving such concerns is a November 2 article in the Hong Kong media quoting a Peking University professor who calls for Chen Yunlin to "break the taboo" and refer to Taiwan President Ma Ying-jeou as "President," while also advocating moving from a cross-Strait situation of "mutual non-denial" to a new phase of "mutual recognition." End Summary.

OPTIMISTIC TAKE ON ARATS-SEF TALKS

12. (C) Embassy contacts have provided an upbeat assessment of the ongoing visit to Taiwan of Chen Yunlin, President of the Mainland's Association for Relations Across the Taiwan Strait (ARATS) (refs A and C). (Note: The visit, which began November 3, is scheduled to end November 7.) Tao Wenzhao (protect), Senior Fellow at the Chinese Academy of Social Sciences (CASS) Institute of American Studies, told PolOff November 5 that Chen's Taiwan visit has gone "very well" so far, and that the four agreements signed on November 4 (ref B) will have a "significant impact" on cross-Strait commerce and travel. During a conversation with PolOff on November 5, Cheng Xiaohe (protect), a professor at Renmin University's Department of International Politics, said the talks are a "positive step" and Chen's trip was "long overdue." Cheng stated that the Chinese people are "very supportive" of the improvement in cross-Strait relations, despite some "anger" over the "mistreatment" of ARATS deputy Zhang Minqqing in Taiwan on October 21 (refs C and D).

"THREE LINKS" ACHIEVED

- 13. (C) Several Beijing observers commented on the significance of the four agreements signed on November 4, which completed the long-desired "three links' (communication, transportation and shipping) across the Taiwan Strait. Xu Shiquan (protect), Deputy Secretary General of the National Taiwan Studies Association, said on October 30 (just prior to the ARATS-SEF talks) that the agreements "practically" complete the three links, which agreements "practically" complete the three links, which Xu noted was first proposed by the Mainland in 1979.
 Nevertheless, Xu said China is trying not to emphasize the "political significance" of the agreement on the three links but instead to focus on the economic benefits to the two sides. The three links were a key element of the National Unification Guidelines (NUG) proposed by Taiwan in 1991, Xu stated. He admitted that China largely rejected the NUG when they were issued, with many joking that they really were "non-unification guidelines." Now, however, the Mainland sees the "wisdom" in the NUG, as well as the argument that the two sides will need to reach a similar level of economic and political development before unification can be achieved. Ironically, Xu remarked, while the mainland has gradually embraced the NUG, Taiwan has moved away from them. He assessed that Ma Ying-jeou will not take steps to reinvigorate the NUG (which Taiwan's then-President Chen Shui-bian declared in 2006 to be no longer in effect), but will still follow the principles laid out in the guidelines.
- $\P4$. (C) CASS's Tao Wenzhao said he appeared on a CCTV-9 program in English on the evening of November 4 and declared that "the three links have been achieved." Tao said the new agreements will "fundamentally change" the interaction

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between the peoples of the two sides and introduce a new level of "comfort" in dealing with each other. For this reason, the agreements were well worth the "risk" of sending Chen to Taiwan in the face of "massive" demonstrations. Tao called the opposition Democratic Progressive Party's (DPP) reaction to Chen's visit "expected." Feng Feng (protect), a post-Doctoral Fellow at Tsinghua University's Institute of International Strategy and Development, sounded a more cautionary note, arguing that the benefits of the agreements on the three links will be limited "strictly to economics" and will do little to bring the two sides closer politically.

OPPOSITION PROTESTS MAKE TAIWAN "LOOK BAD"

15. (C) The DPP's spirited opposition to Chen's visit made Taiwan "look bad" and further diminished Mainland views of Taiwan's political system, according to several PRC contacts. For example, Liu Libin (protect), Deputy Secretary General at Tsinghua University's International Center for Communications Studies, told PolOff November 5 that, in contrast to the "unity" that seems to ensue following U.S. presidential elections, the "severe political rift" in Taiwan appears to have persisted since the March presidential elections. The "intense" opposition to Chen's visit, Liu said, is a sign that Taiwan's democracy is still "immature." The DPP's actions appear to be "counterproductive," Liu surmised, as most people in Taiwan recognize the "win-win" nature of the ARATS-SEF agreements and are turned off by the DPP's tactics. At a minimum, Liu commented, the furor surrounding Chen's visit has left the Chinese people with a "more negative" impression of Taiwan's political system.

MAINLAND MEDIA UNDER TIGHT LEASH

16. (C) Wang Wen (protect), an editor at the People's Daily-owned Global Times, told Poloff November 5 that media guidance issued this week directs that coverage of Chen's visit should not be "too detailed." For example, Global Times has reported on the DPP protests but has not included details of DPP slogans, such as "Taiwan is Taiwan", or DPP

demands, including that the Mainland remove missiles targeting Taiwan. Wang said China's leadership is concerned about the tempo of progress in cross-Strait relations and does not want to be pressured into moving things along "too fast."

CHALLENGING TABOOS?

 $\P7$. (C) One example of what may be driving such concern on the part of the PRC leadership is a November 2 article in the Hong Kong newspaper Ming Pao that quotes a Peking University professor who calls for Chen Yunlin to "break the taboo" and refer to Ma Ying-jeou as "President," while also advocating moving from a cross-Strait situation of "mutual non-denial to a new phase of "mutual recognition." The Global Times' Wang Wen called PolOff's attention to the article, in which Peng Zhenhuai, head of Peking University's Institute of Local Politics, is quoted as saying there would be "no harm in breaking the taboo" of referring to Ma Ying-jeou as "President." Peng argued that the PRC should recognize the fact of the existence of the Republic of China and move from a situation of "mutual non-denial" to a new phase of "mutual recognition." Despite having appeared only in a Hong Kong newspaper, Wang noted that the article is readily available on blogs inside China and has received a number of "positive" comments. Other Mainland scholars, according to Wang, are looking into examples from the cases of East and West Germany and North and South Korea to argue that "two Chinas" is not necessarily an impediment to "eventual reunification.' estimated that perhaps "only 20 percent" of Mainland observers support such ideas, but he deemed it significant that such arguments are being made at all. RANDT